LYNCHBURG CITY COUNCIL Agenda Item Summary

MEETING DATE: March 25, 2003 AGENDA ITEM NO.: 11

CONSENT: REGULAR: X CLOSED SESSION: (Confidential)

ACTION: X INFORMATION:

<u>ITEM TITLE:</u> Franchise Extension Agreement between the City and Adelphia Cable Communications

RECOMMENDATION:

Approve an extension of the current Cable Television Franchise Agreement between the City and Adelphia Cable Communications through March 10, 2004.

SUMMARY:

The current Cable Television Franchise Agreement between the City and Adelphia Cable Communications expired on March 13, 2003. In view of Adelphia's current financial difficulties the City has decided to temporarily delay negotiations with Adelphia to renew the current franchise agreement because of concerns about Adelphia's ability to perform all of the terms of a franchise agreement (e.g. expanded programming, ungraded physical facilities, etc). Since negotiations to renew Adelphia's franchise agreement are being temporarily delayed it is appropriate to enter in a Franchise Extension Agreement with Adelphia for a period of twelve months. At the end of the twelve-month extension the City and Adelphia hope to be in a position to resume negotiations to renew the Cable Television Franchise.

PRIOR ACTION(S):

- On March 10, 1988 the City entered into a Cable Television Franchise Agreement through March 10, 2003
- On January 28, 2003 City Council decided to temporarily delay the renewal of the Franchise Agreement

FISCAL IMPACT:

None

CONTACT(S):

Walter Erwin at 847-1310 Ext. 325 or Michael Goetz at 847-1341 Ext. 286

ATTACHMENT(S): Resolution

REVIEWED BY: Ikp

BE IT RESOLVED That the Council of the City of Lynchburg hereby approves a twelve-month Franchise Extension Agreement between the City and Adelphia Cable Communications.
RE IT FURTHER RESOLVED That the City Manager is authorized to execute the Franchise Extension

Agreement.			
Adopted:			
Certified;	Clerk of Council		
067L			

FRANCHISE EXTENSION AGREEMENT

The undersigned mutually agree to extend the current Cable Television Franchise Agreement entered into on March 10, 1988 between the City of Lynchburg, Virginia ('Grantor") and Ionian Communications, L.P. d/b/a Adeiphia Cable Communications ("Grantee") (the "Franchise Agreement") and extending through March 10, 2003. During said extension, the terms and conditions of the current Franchise Agreement shall remain in full force and effect.

Both parties hereby reserve all rights under applicable provisions of the Cable Act, including Sections 626 and 635. Nothing herein shall be deemed or construed as a waiver, release or surrender of any right that either party may have under the Cable Act or any applicable law.

AGREED:	AGREED: Ionian Communications, L.P. D/b/a Adelphia Cable Communications By:		
City of Lynchbrug, Virginia			
By: L. Kimball Payne			
Title: Lynchburg City Manager	Title:		
Date: March 26, 2003	Date:		